

**MINUTES OF THE CITY OF LAS VEGAS SPECIAL CITY COUNCIL MEETING HELD ON
WEDNESDAY, MAY 28, 2025 AT 10:00 A.M. IN THE CITY COUNCIL CHAMBERS.**

MAYOR: David Romero

COUNCILORS: Marvin Martinez
Barbara Casey
Michael L. Montoya
David Ulibarri

ALSO PRESENT: Lucas Marquez, Acting City Manager
Casandra Fresquez, City Clerk
Caleb Marquez, Sergeant at Arms/Acting City Manager

CALL TO ORDER

Mayor Romero called the meeting to order at 10:00 am.

ROLL CALL

PLEDGE OF ALLEGIANCE

MOMENT OF SILENCE

Councilor Casey asked that everyone pray for insight, determination, and good decision making for the benefit of the community while discussing the budget for the Fiscal Year 2025-2026.

APPROVAL OF AGENDA

Councilor Montoya made a motion to approve the agenda as presented. Councilor Martinez seconded the motion. Mayor Romero asked if all were in favor. All were in favor.

PUBLIC INPUT

There was no public input.

APPROVAL OF MINUTES

Councilor Casey made a motion to approve the minutes from May 14, 2025 with minor corrections. Councilor Martinez seconded the motion. Mayor Romero asked if all were in favor. All were in favor.

City Clerk Fresquez advised motion carried.

BUSINESS ITEMS

1. Request approval of Resolution 25-21, a budget adjustment for the 2024-2025 Fiscal Year.

Councilor Martinez made a motion to approve Resolution 25-21, a budget adjustment for the 2024-2025 Fiscal Year. Councilor Montoya seconded the motion

Councilor Montoya asked if there was a difference in cost for the lighting.

Finance Director Morris Madrid advised yes.

Councilor Montoya asked if that was the reason the budget was short of funds.

Finance Director Madrid advised he was unsure.

Mayor Romero asked for roll call. Roll Call Vote was taken and reflected the following:

Barbara Casey	Yes	Michael Montoya	Yes
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David Ulibarri

Yes

Marvin Martinez

Yes

City Clerk Fresquez advised motion carried.

2. Request approval of the City of Las Vegas Interim Fiscal Year 2025-2026 Operating Budget.

Mayor Romero asked Finance Director Madrid to give an overview of the budget and the reasoning behind the decision making.

Finance Director Madrid advised everything was good to go as planned as far as the budget went. Finance Director Madrid advised that the Finance department had started the budget earlier in the year and had more interaction with the directors until the process was interrupted when the former City Manager resigned. Finance Director Madrid advised he did not want to overstep his authority with the City Manager being gone during the remainder of the meetings, so he set margins for the directors to provide justification, reasoning with proper paperwork, and if it was reasonable and necessary. Finance Director Madrid advised that a department's justification, reasonable or necessary request would not be in the packet was due to it being submitted late, not reasonable, could not be justified, or it was not supported by revenue or cash balance.

Councilor Montoya stated for the record that the budget was brought to the Finance Committee the day prior for approval.

Councilor Ulibarri advised that they needed to make precise decision making for the upcoming years.

Councilor Montoya asked Finance Director Madrid what percentage of the budget the former City Manager took part in, and what percentage the Finance department took part in.

Finance Director Madrid advised that he was unsure because the former City Manager Tim Montgomery was overseeing the Governing Body's budget, Mayor's budget, Managers budget, and the City Attorney's budget. Finance Director Madrid advised that there were several meetings regarding the budget and adjustments within departments; however, most meetings were not held and discussions were not finished before former City Manager Tim Montgomery's resignation. Finance Director Madrid advised he couldn't give a percentage but advised that former City Manager Tim Montgomery was part of the budget halfway through and the directors and himself were left to finish it.

Councilor Casey advised she oversaw the salaries within the departments and mentioned there was no stability. Councilor Casey advised there were disparities and mentioned there were several departments receiving a high amount of raises without rhyme or reason. Councilor Casey asked Finance Director Madrid why the amount set aside for raises was outrageous, where he came up with the numbers, and how he could resolve the issue.

Finance Director Madrid advised there were no Bargaining Agreements the year prior which impacted the three Unions compensation. Finance Director Madrid advised they came up with the numbers for the employees that were covered under the Union by taking their net amount and adding what was anticipated under the Collective Bargaining Agreement. Finance Director Madrid advised he did not have an answer for the employees who were not covered under the Union.

Councilor Casey voiced her concern regarding an appointed official's salary, mentioning her salary was lowered by almost \$2,000. Councilor Casey advised City Clerk Casandra Fresquez was the only female appointed official who was getting underpaid. Councilor Casey also voiced her concern regarding departments that were not receiving the budget they had requested for essential items and could not function without them and requested to hear them out.

Mayor Romero suggested going over each department's requested changes within the budget and department directors providing a report on what their requested budget was going to be utilized for.

Finance Director Madrid discussed the following departments that received increases to their budget:

- City Manager
 - Increased from \$461,00 to \$762,00 due to Safety and Risk Management being incorporated.
- City Attorney
 - Increased from \$295,000 to \$556,000 due to budgeting both contractual services and employee salaries.
- Community Development
 - Increased from \$612,000 to \$700,000 due to a new employee (FTE), and requires a change to the Organization Chart.
- Code Enforcement
 - Increase for an additional position.
- Public Works
 - Increase in maintenance, equipment and vehicle costs.
- Parks
 - Increase in general operations and maintenance.
- General Services
 - \$250,000 for infrastructure in each Councilor's ward including Mayor, General liability Insurance, and \$50,000 for records destruction.
- Mayor
 - Increase for registration fees and furniture.
- City Manager
 - Additional compensation and Grant Administrator position that had not yet been filled but was funded, \$20,000 for the website update, and \$100,000 for maintenance and repairs for City Hall.
- City Clerk
 - Additional \$15,000 for software updates.

- City Attorney
 - Full- time employee \$225,000 and in other professional services or Attorney fees \$275, 000.

Mayor Romero advised in the previous year there was a position for Project Administrator and asked if it was taken out by the former City Manager Tim Montgomery or why the position was done away with.

Finance Director Madrid advised he believed that was the point of the Grant Administrator to serve the same purpose but different position. Finance Director Madrid advised he was aware there was going to be a Supervisor position available to oversee the day-to-day operations but no other positions. Finance Director Madrid advised compensation was granted to Code Enforcement for \$18,000 and advised the Governing Body once it was granted it could not be withdrawn.

Councilor Casey advised the increase in budget and salaries should have been taken to the Governing Body and not been made by former City Manager Tim Montgomery and Finance Director Madrid.

Mayor Romero asked if there were other funds set forth besides what was budgeted.

Finance Director Madrid advised only what was anticipated by the Union Bargaining Agreement.

Councilor Ulibarri advised that an \$18,000 pay increase for directors and project managers that had only been in the position for half a year to a year was a large increase. Councilor Ulibarri stated he was unsure if the Finance department had enough time to oversee the budget but advised Finance Director Madrid needed to oversee his staff.

Finance Director Madrid advised the pay increase of \$18,000 was a directive that came from former City Manager Tim Montgomery and that it was not a decision made by the Finance department.

Councilor Martinez asked if the previous year's budget was available to the Finance Committee to use as a reference when approving and reviewing the budget for Fiscal Year 2025-2026.

Finance Director Madrid advised there was a comparison in columns line by line to last year's budget.

Councilor Martinez asked when Finance Director Madrid was speaking with department directors regarding the budget if the communication was through email or in person.

Finance Director Madrid advised it was both, however the majority of the meetings were in person communication. Finance Director Madrid advised that several directors did not respond or reach out.

Councilor Martinez asked if Finance Director Madrid had any resistance from department directors.

Finance Director Madrid advised there were some inadequate responses.

Councilor Casey advised that Finance Director Madrid was the keeper of the City of Las Vegas funds and was to utilize the funds with what was necessary. Councilor Casey advised giving an employee who was also living with former City Manager Tim Montgomery an \$18,000 pay raise was unacceptable. Councilor Casey voiced her concern regarding the increased amount and advised that she would not support it and it needed to be fixed immediately regardless of the timeline.

Councilor Martinez asked Finance Director Madrid to provide the Governing Body with a time frame as to when the final draft of the budget was due.

Finance Director Madrid responded to Councilor Casey's concern advising that there was no other option but to budget what was granted and emphasized that it could not be withdrawn from the employee.

Councilor Casey asked Finance Director Madrid if the employees who were granted raises were receiving them already.

Finance Director Madrid advised yes, majority of them.

Councilor Casey advised that the pay raises should not have been in effect until they went before the Governing Body.

Finance Director Madrid advised he could not provide her with an answer to what was already in place. Finance Director Madrid advised the timeline for the interim 2025-2026 Fiscal Year budget was to have it uploaded, approved by the Governing Body, and updated into the system by May 31st. Finance Director Madrid advised that the ending cash balance could not have been in the negatives otherwise it could be shut down immediately and it was due by July 31.

Mayor Romero asked Robert A. Anaya if he had any questions or concerns regarding the budget.

Mr. Anaya advised that he would like for Finance to complete their presentation and he would give a report at the end.

Mayor Romero advised he wanted to go over items that were requested by the departments on why the items that were requested were funded and also why the items that were requested were not funded.

Finance Director Madrid advised some of the reasons some of the items requested were not included was due to not being submitted on a timely basis, no

proper justification, was not fiscally allowed, and was not supported by revenues or cash balances.

Mayor Romero advised starting with the Police Department budget.

- Police Chief/Acting City Manager Caleb Marquez discussed the following to be budgeted:
 - Increase in event supplies
 - Increase in Subscription Dues

Police Chief/Acting City Manager Marquez advised they were going to submit the funds to the New Mexico Municipal League to see if they qualified for reimbursement.

Councilor Martinez asked if Finance had each department broken down as to what was being purchased through the budget.

Finance Director Madrid advised no he does not have it set up or have a system but spoke with department directors and advised them to join the meeting to present to the Governing Body what was being requested and to give justification.

Councilor Martinez advised he would prefer there be a form created to distinguish each department.

- City Clerk Casandra Fresquez discussed the following to be budgeted:
 - Office supplies was cut by \$1,500
 - Travel Expense was cut by \$1,000
 - Printing and Copying was cut by \$3,000
 - Rent of Equipment cut by \$400
 - Publications requested \$10,000 and only given \$6,000
 - Chairs for City Chambers \$7,000
 - Office Furniture none was given \$5,200

Finance Director Madrid advised there were surpluses every year due to over budgeting. Finance Director Madrid advised they based the budget on what was spent within the last three years. Finance Director Madrid advised the budget could be adjusted within the year as long as it was justified.

City Clerk Fresquez advised the reasoning behind the requested amount for publications was because there was no telling how many publications were going to be made within the year and would rather over budget than have to do a line item transfer.

Mayor Romero advised putting a pay plan in order for the City Manager to abide by and only have so much flexibility.

Councilor Martinez advised when the budget was put together there were issues within the budget that were not taken to the Governing Body. Councilor Martinez advised there was no transparency between the Finance department and the Governing Body.

Finance Director Madrid advised the City had been over budgeting for the past three years and the reason behind the raises was because they were affordable and couldn't be rejected on a budget basis. Finance Director Madrid advised the City Clerk's requests were a small amount and he would adjust the budget to the full requested amount.

City Clerk Fresquez advised she would email documents to the Governing Body.

- Community Development Director/Acting City Manager Lucas Marquez discussed the following to be budgeted:

Community Development Director/Acting City Manager Lucas Marquez advised when he was brought into Community Development the budget accounted for two employees. Community Development Director/Acting City Manager Marquez advised as the positions within Community Development were being filled the

budget was not supporting the department anymore due to having to pull money from different line items. Community Development Director/Acting City Manager Marquez advised the budget was too low for the capacity of employees that were within the department. Community Development Director/Acting City Manager Marquez advised Code Enforcement and Animal Control were sharing a budget and advised he couldn't manage a budget with two people and how to utilize the funds.

Councilor Ulibarri advised Code Enforcement dealt with the community and needed to have their own budget so that the employees could perform their duties with what their job description entails.

Community Development Director/Acting City Manager Marquez advised they were trying to restructure the Code Enforcement department and add a supervisor position. Community Development Director/Acting City Manager Marquez advised there had to be a form of leadership between himself and Code Enforcement so they could utilize the chain of command for disciplinary actions.

Finance Director Madrid discussed the following changes to the Water department budget:

- Line item for Other Professional Services was increased from \$15,000 to \$53,000.
- Freight was increased from \$2,000 to \$16,000
- Increase in credit card processing fees
- Increase in chemicals for additional testing
- Increase in telephone expense for the call out system
- Increase in water testing and monitoring
- Increase in electricity
- A request for \$500,000 for a new chemical building

Mayor Romero asked Water Director Travis Martinez if there were other items that were not included into the budget that should have been and asked why he asked for a larger increase in certain line items.

Water Director Martinez advised there were several items that were not included into the budget. Water Director Martinez advised that the Water Treatment Plant and Waste Water Treatment Plant were expensive and hoped requesting certain items would put the City in a better position. Water Director Martinez advised they had requested a new chemical building due to the current one freezing and being nearly 600ft away and wanted to relocate the chemical building near the clarifier to prevent further issues. Water Director Martinez also advised that the freight and the chemicals to treat the water had gone up in price.

Mayor Romero asked if the requested amount was including additional water testing for Luna.

Water Director Martinez advised yes, and it would include an added cost to test the by-products.

Councilor Martinez asked if there was anything in the budget that would reflect fines or violations.

Finance Director Madrid advised no, that there were no fines or violations.

Councilor Martinez asked if there had been any fines that were budgeted this year.

Water Director Martinez advised no, all the fines were from the previous year.

Police Chief/Acting City Manager Caleb Marquez advised he had received notice stating payment was due by May 30th in the amount of \$273,600 to NMED for previous fines.

Mayor Romero asked if the \$273,600 was owed to NMED for previous fines that were never acted upon.

Police Chief /Acting City Manager Marquez advised yes.

Finance Director Madrid advised that the Finance department did not budget for fines and the only topic related to the fines that were budgeted were deductibles for insurance claims.

Mayor Romero asked how far back were the fines that were not acted upon.

Water Director Martinez advised back to the 2023 by-product violation.

Mayor Romero asked if he was okay with the budget that was in place.

Water Director Martinez advised yes, however the State required for the department to add additional call-out systems.

Councilor Martinez asked if the requested amount included Water distribution.

Water Director Martinez advised yes, Water Distribution was included. Water Director Martinez advised the amount requested was to make upgrades to the systems to prevent violations such as previous years.

Finance Director Madrid stated for the record that in the water replacement fund there was an error regarding a \$700,000 request in the line item for vehicles that should have been under the line item system expansion.

Councilor Montoya asked if the \$700,000 was for all of the water projects.

Finance Director Madrid advised only the water projects that tend to be funded were accounted for.

Councilor Montoya asked why new storage tanks, silt removal, repair of baskets, and plan and design for a new treatment plant weren't included into the budget.

Finance Director Madrid advised he couldn't give him an answer.

Water Director Martinez advised he had taken the items to the Governing Body before and they were denied and advised he was waiting for the new City Manager to arrive to discuss the water treatment needs for future projects. Water Director Martinez advised he was working on the current issues and not the future.

Councilor Montoya advised the City had the funds and nothing was being done about the future of the City of Las Vegas.

Finance Director Madrid advised the finance department had budgeted the full \$140 million to allow the City departments to move forward with their projects and plans for the future.

Councilor Montoya voiced his concern regarding no short-term or long-term goals or any planning being done as to what was going to take place in the future for the City of Las Vegas. Councilor Montoya advised any water projects that needed to take place within the City and needed funding, could apply for funding from the Water Trust Board.

Water Director Martinez advised he had already started the application process.

Councilor Ulibarri advised the reasoning behind the issues that came along within the City were due to the employees not informing the Governing Body and receiving guidance on how to resolve the issues. Councilor Ulibarri thanked City staff for all they do and encouraged them to continue working hard.

Finance Director Madrid discussed the following adjustments to the budget for Waste Water:

- Increase in the line item Other Professional Services from \$50,000 to \$350,000.
- Increase in Assisted Maintenance from \$250,000 to \$450,000.

Councilor Martinez voiced his concern regarding the City receiving natural gas from outside vendors and mentioned there was no fresh water being distributed to the water treatment plant.

Water Director Martinez advised the water department was working to get fresh water and natural gas distributed to the water treatment plant.

Mayor Romero asked how close the Waste Water Treatment Plant was to being self operational.

Water Director Martinez advised there was only one person doing the water testing from Souder Miller & Associates. Water Director Martinez advised within 90 days if there were no issues the Waste Water Treatment Plant would be 100% under the City of Las Vegas.

Mayor Romero asked if he reduced the cost of the third party.

Water Director Martinez advised yes, and mentioned part of the \$400,000 was to reestablish water testing to the City of Las Vegas due to a directive he had received and would bring labs back into operation.

Public Works Director Arnold Lopez discussed the justification for the following line items:

- Increase in airport funds for an updated fuel system
- Increase in the line item facilities due to increased cost of daily operations
- Increase in road equipment due to outdated equipment and for the safety of the employees.
- Increase in City Vehicles due to vehicles reaching their life span
- Increase in street lights
- Increase in streets due to increased cost of asphalt
- Increase in materials to maintain their department

Councilor Ulibarri voiced his concern regarding the potholes around the City.

Public Works Director Lopez advised that the Public Works department set aside \$1 million to improve a street and advised that all the streets within the City were over 50 years old.

Councilor Ulibarri suggested moving in a different direction to resolve the pothole issues and thanked the Public Works department for all they do.

Councilor Martinez asked what it took to get in touch with a vendor that was in contract with the City to pave the full intersection instead of just the potholes.

Public Works Director Lopez advised it would take millions of dollars to repair streets within the City but would take them into consideration as funds come along.

Gas Director/Solid Waste Interim Director David Marquez discussed the following requested adjustments to the budget:

- Increase in Training/Seminars due to needing proper gear and being first responders.
- Request of \$500,000 for a new Gas department building due to limited space with other departments on 12th street.

Finance Director Madrid discussed the following budget adjustments within the Solid Waste department:

- Other Professional Services
- Maintenance of Buildings and Grounds
- System Maintenance
- Maintenance of Road Equipment
- Purchase new building

Gas Director/Solid Waste Interim Director David Marquez advised the Solid Waste building needed maintenance and would like to incorporate signage and precautionary speed bumps on the road going to Solid Waste as well as a drain for the scale due to large amounts of water. Gas Director/Solid Waste Interim Director Marquez stated the department requested to have a backup truck in case one had any issues, and in the meantime could fix the other. Gas Director/Solid Waste Interim Director Marquez advised he would also be implementing more positions within the Solid Waste department.

Councilor Ulibarri advised utilizing the funds towards something the City would benefit from rather than spending it on equipment that had been fairly new.

Councilor Martinez asked if there were other options to get rid of the trailer that they've been trying to auction off.

Gas Director/Solid Waste Interim Director Marquez advised he was in communication with a vendor that was open to a trade and had made an offer that was near the price the trailer was bought for.

Councilor Martinez voiced his concern regarding the City of Las Vegas funds and how they should be stretched out as much as possible to further projects. Councilor Martinez asked what a cost estimate would be for drainage for the scale.

Gas Director/Solid Waste Interim Director Marquez advised it could cost up to \$40,000 or more.

Councilor Martinez mentioned he was searching for ways to assist the departments without impacting the budget.

Councilor Martinez advised they weren't taking into consideration future positions for the betterment of the City.

Finance Director Madrid advised there needed to be an Organizational Chart put in place for all departments in order for the City Manager to put together a plan with the correct positions.

Fire Chief Steve Spann discussed the following requested adjustments for the budget:

Fire Chief Steve Spann advised they requested an adjustment in the budget due to more positions being added and their guaranteed overtime hours were in the negatives.

Finance Director Madrid advised the Fire department had a significant amount of grant money that was budgeted.

Mayor Romero asked Finance Director Madrid if he would adjust the budget according to the decision that was made.

Finance Director Madrid advised yes.

Councilor Montoya asked if the adjustments would be taken to the Governing Body.

Finance Director Madrid advised he would not recommend it due to not being able to schedule a meeting in time before the deadline.

Councilor Montoya asked who would verify the budgets if they weren't taken back to the Governing Body.

Finance Director Madrid advised he would take the budget back to the Governing Body before the final budget deadline.

Councilor Montoya voiced his concern regarding the vacancy positions within the City of Las Vegas that were budgeted for and not filled. Councilor Montoya also mentioned departments should not be sharing budgets and the Abe Montoya Recreation Center still did not have a Director.

The Parks department discussed the following justifications for a budget change:

Parks Supervisor Jeff Rudolph advised the department was making upgrades and alterations and wanted an increase in maintenance of buildings and grounds, equipment, tools and training for parks employees.

Councilor Casey thanked Parks Supervisor Rudolph for all he's done and for excelling in every department he's been in.

The Abe Montoya Recreation Center discussed the following justifications for a budget change:

Recreation Manager Joe Ortiz advised a total amount of \$1.6 million was allocated for the replacement of the roof and stated they requested an additional \$100,000 to make repairs within the building itself along with a new A/C unit for the weight room and a dehumidifier for the pool. Recreation Manager Ortiz advised they also requested an increase in overtime for staff for when emergencies occurred and staff had to work.

Mayor Romero asked what the future plans were for the Recreation Center.

Recreation Manager Ortiz advised he planned to open a summer day camp and hire new staff, host a volleyball day in July, host adult softball in August, and host youth basketball in the winter.

Councilor Montoya stated the Recreation Center should be more self-sustained within the budget and have programs being held year round to generate funds.

Recreation Manager Ortiz advised in the near future he would want to increase the prices at the Recreation Center to increase revenue. Recreation Manager Ortiz advised he spoke with other municipalities and confirmed that their prices had gone up.

The Senior Center discussed the following justifications for a budget change:

Community Services Director June Cordova advised she requested additional funding in maintenance of buildings and grounds for upgrades that had not taken place.

Councilor Ulibarri asked if the menus for the Senior Center were regulated.

Community Services Director Cordova advised she prepared the menus and had to send them to two nutritionists to be approved or denied.

The Transportation department discussed the following justifications for a budget change:

Finance Director Madrid advised the budget for Transportation would have to be modified before the final submission for the full budget.

Community Development Director/Acting City Manager Marquez advised the Transportation department had a different fiscal year than other departments.

Finance Director Madrid advised the Transportation department had a Federal Fiscal Year and not a State Fiscal Year.

Councilor Montoya asked if the budget included transportation on weekends for tourism.

Transportation Manager Marcelino Roybal advised the State approved two full time employees and they were going to look into transportation on weekends, however it would have to be public transportation, not just for tourism.

Councilor Ulibarri advised he received complaints from residents regarding no transportation on weekends.

Transportation Manager Roybal advised his department was short staffed and the employees who were transporting residents were backed up.

Community Development Director/Acting City Manager Marquez advised that the employees shifts start earlier than 8 am and end later than 5 pm.

Mayor Romero asked what the progress on the pilot project was.

Transportation Manager Roybal advised they were waiting on pricing for the new equipment. Transportation Manager Marcelino advised he had spoken with Amanda Bustamante on advertising fliers and getting the community to utilize the questionnaires. Transportation Manager Roybal advised the State recommended utilizing a QR code, however he mentioned the community would require pen and paper.

Community Development Director/Acting City Manager Marquez advised the transportation department, attended a training at the United World College and received feedback regarding the scheduling of transportation.

Finance Director Madrid thanked the Finance department for all their hard work. Finance Director Madrid advised that the Finance department was transparent with the Finance Committee and with the Governing Body.

Robert Anaya advised he felt an Organizational chart was essential and should reflect the current and previous budget. Mr. Anaya advised that City employees were not being transparent with the Governing Body and stated it needed to be

worked on in order to better serve the community. Mr. Anaya recommended revisiting the duties of City employees and including them in the Organizational chart.

Finance Director Madrid advised when former City Manager Tim Montgomery resigned from his role he put the Finance department in a difficult position without leadership. Finance Director Madrid advised he took leadership and went based off of what was a reasonable salary and what was an excessive amount.

Mr. Anaya asked Finance Director Madrid if he could present to the public the total amount budgeted for the City of Las Vegas.

Finance Director Madrid advised \$236 million was the total amount and \$140 million was budgeted for FEMA.

Mr. Anaya asked what the total amount budgeted was without FEMA.

Finance Director Madrid advised \$96 million.

Mr. Anaya asked if Finance Director Madrid could inform him on the City of Las Vegas contingencies and reserves.

Finance Director Madrid advised the only contingency the City budgeted for was the deductible for property and liability tax.

Mr. Anaya asked Finance Director Madrid what the general reserves were percentage wise.

Finance Director Madrid advised that the reserves were well over 100% and should they have to, the City could continue on over a year with the reserves if needed.

Mr. Anaya advised it was important to understand the importance of replacing the reserves.

Finance Director Madrid advised the City had spent \$10 million on bottled water and tankers when the treatment plant was down in February that was not budgeted and may or may not have been reimbursable. Finance Director Madrid advised it could have put the fund in a precarious position for at least a year and recommended making the whole water fund a reimbursement as a priority.

Mr. Anaya asked the Governing Body if they could provide paperwork regarding the water crisis that took place in February for better understanding. Mr. Anaya requested quotes on expanding the utilities to other City buildings to support the City's needs rather than contracting with vendors.

Mayor Romero thanked Mr. Anaya for his feedback and advised Finance Director Madrid to consider the requests from the departments and make adjustments to their budgets.

Finance Director Madrid advised after speaking with the department directors and getting clarification on the reasoning behind the budget adjustments. Finance Director Madrid advised he would include the adjustments in the final budget.

Mr. Anaya advised he was not comfortable with the budget, however with the timeline he would submit the interim budget as is, make the adjustments, take them to council and then upload the final budget. Mr. Anaya asked what the most current audit finding was.

Finance Director Madrid advised the current audit finding had not been released and there were no major concerns.

Councilor Ulibarri thanked City staff for all their hard work.

Councilor Montoya asked if the final budget would be presented to the Governing Body before being sent in for approval.

Finance Director Madrid advised yes.

Councilor Montoya made a motion to approve the City of Las Vegas Interim Fiscal Year 2025-2026 Operating Budget.

Motion died due to a lack of a second.

Councilor Martinez asked how he was supposed to feel comfortable and ensure that the City was in the correct position it needed to be in by the deadline.

Mr. Anaya advised there were questions regarding the financial situation of the City of Las Vegas and that the concerns were going to be prioritized, and brought back to the Governing Body for approval before it's submitted.

Finance Director Madrid advised should the approval of the budget be late or changes are made, the final approval of the budget at the end of July would be an automatic audit finding and DFA would penalize the City.

Mayor Romero advised the Councilors to reconsider approving the budget.

Councilor Montoya made a motion to approve the City of Las Vegas Interim Fiscal Year 2025-2026 Operating Budget.

Finance Director Madrid advised rejecting the budget would not resolve the issue and the budget met the criteria of DFA and adjustments could still be made.

Councilor Martinez seconded the motion. Mayor Romero asked for roll call. Roll Call Vote was taken and reflected the following:

David Ulibarri

Abstained

Michael Montoya

Yes

Barbara Casey

No

Marvin Martinez

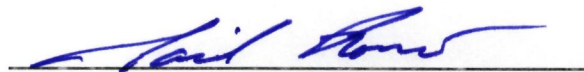
Yes

City Clerk Fresquez advised motion carried.

ADJOURN

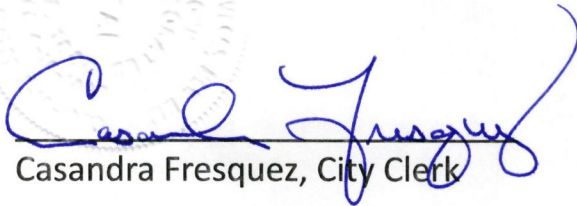
Councilor Montoya made a motion to adjourn. Councilor Martinez seconded the motion.

Meeting adjourned at 1:32pm.



Mayor David Romero

ATTEST:



Casandra Fresquez, City Clerk